

5. CALPERS PROGRAMS, SEMINARS AND WORKSHOPS

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TELEPHONE DIRECTORY

CalPERS Employer Contact Center.....	(888) CalPERS (225-7377)
General Information (TDD only).....	(916) 795-3240

CALPERS AUTOMATED COMMUNICATIONS EXCHANGE SYSTEM (ACES)

There are over 2,400 state and public agencies in California who rely on the California Public Employees' Retirement System (CalPERS) to manage their retirement and health benefits.

CalPERS implemented an electronic system, which is **free** to all CalPERS business partners. The system provides a faster, more economical method for employers to exchange information.

The Automated Communications Exchange System – **ACES** – is a highly secure on-line system that provides employers the ability to exchange membership, health, and payroll information with CalPERS on a transactional basis. ACES can be accessed from an ordinary personal computer through an Internet web browser.

ACES consists of the following components:

- **Internet File Transfer.** Employers can transmit health (HBD-12) and/or membership (AESD-1) files securely from their internal human resources systems to CalPERS for processing. This functionality allows employers to leverage their existing systems to exchange information with CalPERS.
 - **Internet Forms Data Entry.** Employers can enter health (HBD-12) and/or membership (AESD-1) data directly into on-line forms and securely submit them to CalPERS via the Internet. This functionality allows employers to submit individual transactions as needed rather than having to transmit an entire file.
 - **Participant Inquiry.** Employers and health benefit carriers can securely perform data queries via the Internet. This query functionality allows employers and carriers to verify enrollments and track changes.
 - **Account Management.** Employers and health benefit carriers can establish and manage ACES user accounts. This functionality provides self-service capability that significantly streamlines the process of creating and maintaining user ID's and passwords.
- ACES benefits California's state and public employers (and hence their employees) by:
- **Simplifying Business Communication.** Internet technology provides a common denominator allowing the broadest customer base possible to do business with CalPERS electronically.
 - **Eliminating paper.** State and public employers across California can now do business without sending a hard copy. Less manual processing of information results in fewer errors.
 - **Speeding up the process.** Prior to ACES, the multi-step process to provide a health card to a new enrollee took more than four weeks. Now, with ACES, health cards are delivered in a much shorter period of time. Members can more easily obtain medical care with a card in hand. In cases where medical care is needed before the card has arrived, health carriers need only query the ACES system to verify that the member has coverage.

CALPERS AUTOMATED COMMUNICATIONS EXCHANGE SYSTEM (ACES)

- **Reducing costs.** No mailroom costs. No waiting. Fewer errors. ACES streamlines the overall process. Staff will spend fewer hours because they won't have to fill out forms by hand. Instead, staff can transmit enrollments and changes into CalPERS health and retirement programs directly.
- **Security is a priority.** ACES ensures that all personal employee information (social security numbers, addresses, etc.) remains confidential. When an employer signs up for ACES, they designate a security contact at their site who controls access. The employer can even have supervisors track and monitor all CalPERS transactions, including reviewing a log of all data transmissions.
- **ACES validations improve processing time and data quality.** ACES provides front-end edits (validations that prevent employers from entering incorrect or incomplete information) to ensure that the required data and specific health and membership values are supplied to properly process transactions. This is a significant improvement over the manual process, where errors on paper forms had to be corrected and resubmitted, creating delays affecting both employers and CalPERS.
- **Self-service capabilities streamline the process for obtaining and maintaining user accounts.** The account management subsystem has significantly streamlined the former 17-step process for creating user ID's and passwords. Each employer can now create and maintain user IDs for their staff with little or no involvement from CalPERS. The process now consists of three steps, reducing the time to request, create, and distribute account information from several weeks to two days.
- **Activities are more easily tracked and monitored.** All activities are logged to include the date, time, submitter, agency, and content of transmitted data. This becomes an on-line electronic record of data sent and received, eliminating manual record keeping both by employers and CalPERS while providing a mechanism to resolve errors and problems more quickly.

To sign up for ACES or find out more about ACES, please contact (888) CalPERS (225-7377) or visit our website at www.calpers.ca.gov/ACES.

Deferred compensation is an employer-sponsored benefit allows employees of an employer to defer a portion of pretax salary and direct how the deferral is invested. Both the deferral and the earnings on investment are shielded from income tax until the money is taken, usually in retirement.

Legislation enacted in 1991 granted the CalPERS board authority to develop a deferred compensation program for offer to public agencies and their participating employees. This authority allows CalPERS to offer any federally sanctioned retirement savings plan, including a deferred compensation plan qualified under Section 457 of the Internal Revenue Code.

After three years of research and development, CalPERS developed a program that leverages the economies of scale inherent in the \$140 billion public retirement system. The CalPERS 457 Program provides state-of-the-art deferred compensation services at a low cost to participating public employees. All assets are held in trust for the exclusive benefit of participants by the CalPERS Board.

THE PROGRAM FEATURES

- full trust protection
- investment options designed specifically for retirement savings and managed under CalPERS supervision
- state-of-the-art customer services
- comprehensive administrative services including custody, recordkeeping, management, and marketing
- a simplified fee structure

The core investment options include:

1. Money Market Fund
2. Stable Fixed Income Fund
3. Bond Fund
4. Actively Managed, Large Cap Equity Fund
5. S&P 500 Equity Index Fund

6. Actively Managed, Small Cap Equity Fund
7. Russel 2000 Equity Index Fund
8. International Equity Fund
9. Asset Allocation Fund

The funds are invested by a combination of in-house staff and external investment managers currently affiliated with the retirement system. This capitalizes on CalPERS' economies of scale by employing the investment management expertise of CalPERS' staff, augmented by the use of external investment managers under CalPERS' supervision. This allows the program to offer institutionally managed funds with significantly lower management fees, compared to retail mutual funds, and pass those savings along to participants. It also gives CalPERS overall control over the program and management of the funds.

FDIC insured bank certificates of deposit (CD's) and access to over 5,000 retail mutual funds through a self-managed brokerage account (SMA) are also offered.

State Street Bank and Trust has been retained as the program administrator to provide custody, recordkeeping and general administrative services, including marketing, communications, enrollment, and customer service. Plan services are state-of-the-art and include:

- Daily processing and daily fund transfer capabilities.
- Live customer service representatives with full access to on-line information.
- Automated Voice Response System and Internet access allows transactions 24-hours a day in making changes to investments. Contributions and enrollments can be changed if the agency's payroll is automated.
- Educational and promotional materials for the employer and employee.
- Service representatives available to conduct meetings and enroll or counsel participants and employers at the employer's location.

CALPERS DEFERRED COMPENSATION PROGRAM

The fee structure for the program is simple with no hidden charges. There are no front or back-end sales charges, transaction charges or fixed fees. Depending on the specific investment funds selected by an individual, most participants will pay total fees of less than 1 percent.

Administration Fees:	
Plan Administration Fee:	.26% of assets
Investment Advisory Fees:	
Stable Fixed Income Fund	.25% of assets
Money Market Fund:	.29% of assets
Bond Fund	.29% of assets
S & P 500 Equity Index Fund	.09% of assets
Large Cap Equity Fund	.63 % of assets
Russell 2000 Equity Index Funds	.23% of assets
Small Cap Equity Fund	.68% of assets
International Equity Fund	.68% of assets
Asset Allocation Fund	
Conservative Portfolio	.6795% of assets
Moderate Portfolio	.6443% of assets
Aggressive Portfolio	.6696% of assets
Investment Management Subtotal	.09% to .68%

For further information please call 1-888-225-7377

LONG-TERM CARE

CalPERS has been offering a self-funded long-term care program since January 1995. All California public employees and retirees, their siblings (age 18 & older), spouses, parents and parents-in-law are eligible to apply for coverage under the CalPERS Long-Term Care Program.

There are three basic plans: (a) CalPERS Comprehensive; (b) CalPERS Nursing Home/Assisted Living Facility Only (NH/ALF); and (c) CalPERS Partnership. The most prominent features of these plans are:

<u>Plan Types</u>	<u>Comprehensive</u>		<u>NH/ALF Only</u>		<u>Partnership</u>	
<u>Plan Option</u>	<u>100</u>	<u>130</u>	<u>100</u>	<u>130</u>	<u>100</u>	<u>130</u>
Total Coverage Amount	Lifetime Or \$109,500	Lifetime Or \$142,350	Lifetime Or \$109,500	Lifetime Or \$142,350	\$36,500 or \$73,000	\$47,250 or \$94,500
Nursing Home/day	\$100	\$130	\$100	\$130	\$100	\$130
Assisted Living / day	\$50	\$65	\$50	\$65	\$50	\$65
Home Care / month	\$1500	\$1950	Not Avail	Not Avail	\$1500	\$1950
Deductible Period	90 days	90 days	90 days	90 days	30 days	30 days

Inflation Protection is an optional feature that can be either: (1) built-in 5% compounded annually; or (2) a periodic increase that is offered every 36 months. Under the Partnership plan, built-in 5% compounded annually inflation protection is mandatory.

A special feature of the Program is a Care Adviser who is available to assist the member with developing a "Plan of Care" which best meets their long-term care services needs.

All of CalPERS plans are tax-qualified meaning that benefits received are non-taxable and premiums may be partially deducted if one itemizes their income taxes and meets certain requirements.

All of CalPERS plans are portable meaning that if a member changes jobs or moves out of state, all coverage remains in force as long as the plan premium is paid when due.

Premiums are based on the enrollee's age on the day his/her application is received and are designed to stay level throughout the member's participation in the Program. Since these plans are not-for-profit, premiums

are generally less than comparable commercially offered plans.

Premium payments for active employees and spouses can be by payroll deduction. Retirees and their spouses can have premiums deducted from their pension benefits. The premium payment for siblings, parents, and parents-in-law will be by direct billing or electronic funds transfer (EFT).

Premiums are waived once a member starts receiving benefits from the Program. For **Customer Service** or **Claims Eligibility** questions, please call **1-800-982-1775**.

Application Periods for the CalPERS Long-Term Care Program generally run from April through June of each year depending on CalPERS Board of Administration approval. Employees can call **1-800-908-9119** to request an application kit.

For employer information and educational materials regarding the CalPERS Long-Term Care Program, employers should call **1-888-651-8801**.

CALPERS MEMBER HOME LOAN PROGRAM

The CalPERS Member Home Loan Program is a benefit available to help CalPERS members with their home financing needs. For almost 20 years, the loan program has offered our eligible members security, protection, and choice when purchasing – or refinancing – a home. And now, the program is available nationwide.

All active, inactive, and retired members of CalPERS, the Legislators' Retirement System, the Judges' Retirement System I, and the Judges' Retirement System II are eligible to participate in this program.

To find out more about the loan choices, 100 percent loan financing, interest rates, special loan programs, and more call (800) 874-PERS (7377) or visit the CalPERS website at www.calpers.ca.gov.

CALPERS HEALTH BENEFITS (PEMHCA)

The CalPERS Health Benefits Program is governed by the Public Employees' Medical and Hospital Care Act (PEMHCA), of the California Public Employees' Retirement Law. The program was established in 1962 to purchase health care for employees of the State of California, including the California State University System (CSU). In 1976 legislation was passed to allow other public employers, such as cities, counties, and school districts, to join the program. Currently, CalPERS provides health benefits to over 1.2million covered lives.

State, CSU and contracting Public Agencies must offer all eligible active and retired employees an opportunity to enroll in a CalPERS health plan of their choice. All employers are required by statute to contribute towards the cost of the health plan premium. Premiums and health plan benefits are approved by the CalPERS Board of Administration annually.

The CalPERS Health Benefits Program offers a choice of health plans to provide Basic coverage to active employees and Supplement to Medicare and Managed Medicare coverage for retired members. Eligible enrollees can choose between a variety of Health Maintenance Organizations (HMOs), Preferred Provider Organizations (PPOs), and employee association plans.

HMOs

CalPERS offers several HMOs, each serving specific geographic areas. Except for out-of-area emergencies, HMO members receive all their care from HMO doctors with a small co-payment for most services and supplies.

PPOs

CalPERS offers two self-funded PPO plans – PERSCare and PERS Choice. These plans offer a PPO network through Blue Cross of California, with nationwide affiliations. Plans offer out-of-area and worldwide coverage.

Association Plans

CalPERS offers employee association health plans. An enrollee must belong to the specific employee association and pay applicable dues to enroll in one of these plans.

For further information on the CalPERS Health Benefits Program, you may contact the CalPERS Employer Contact Center at (888) CalPERS (225-7377) or visit the CalPERS Website at www.calpers.ca.gov.

FINANCIAL PLANNING SEMINARS

CalPERS Regional Office staff conduct three types of Financial Planning seminars for members and their spouses. These all-day seminars are provided to help our members plan for their financial futures. There is no cost to attend and the three types of seminars are:

- ***Achieving Financial Security***
suggested for members who are more than ten years away from retirement.
- ***Retirement & estate Planning***
suggested for member who are ten or less years away from retirement.
- ***Financial Planning for CalPERS Retirees*** for members who are already retired.

All three seminars provide information on the CalPERS benefits, financial goal setting, investment types and strategies, asset allocation and estate planning but each seminar's information is specific to the audience.

Schedule of Seminars

Schedules are established twice a year in April and October and are published in each PERSpective newsletter that is mailed to the home addresses of all members. To find the schedule of seminars, please follow the instructions below:

- Access CalPERS On-line at:
www.calpers.ca.gov
- Select "For Members"
- From the menu, select "Seminars, Workshops, & Events"
- Select "Member Seminars and Workshops"

Active member seminar schedules are regularly provided to the Human Resources Divisions of all CalPERS employers.

How to Enroll

Enrollment is on a first-come, first-served basis but is free to all members and their spouses. To enroll in an **ACTIVE MEMBER** seminar, call CalPERS at (888) CalPERS (225-7377) or complete the Registration Form in the PERSpective or download a Registration Form from the CalPERS website and FAX it to the appropriate Regional Office listed on the form.

Notification of enrollment in a Financial Planning Seminar is mailed to the member within a few weeks of registration.

Employer specific Financial Planning Seminars

Regional Office staff will conduct Employer Specific Financial Planning Seminars at the employer's facility. The presentation will be customized with explanations of the benefits that are contracted for by the employer. An audience of forty employees is suggested.

To request an Employer Specific Seminar, call CalPERS at (888) CalPERS (225-7377).

RETIREMENT PLANNING WORKSHOPS

Regional Office staff will conduct 2 to 2.5 Retirement Planning Workshops throughout California to help members prepare for retirement. These no-cost workshops provide information on the CalPERS benefits, the factors used in a retirement allowance calculation, how to select the best retirement date, the retirement application process and a few post-retirement issues.

Workshop Schedules

Workshop schedules are established twice a year in April and October and are mailed to the Human Resources Divisions of all CalPERS employers. To find workshop schedules, please follow the instructions below:

- Access CalPERS On-line at:
www.calpers.ca.gov
- Select "For Members"
- From the menu, select "Seminars, Workshops, & Events"
- Select "Member Seminars and Workshops"

How to Enroll

Call CalPERS at (888) CalPERS (225-7377) or registration forms can be downloaded from the CalPERS website or obtained from the employer's Human Resources Division and Faxed or mailed to the appropriate Regional Office listed on the form.

Notification of enrollment in a workshop is mailed to the member approximately two weeks before the scheduled date.

EMPLOYER WORKSHOPS

The Communication Services Unit of the Actuarial and Employer Services Division provides annual countywide employer workshops. Notices are sent to the contracting agency's "manual coordinator" who then registers the appropriate staff to attend these workshops.

The Communication Services provides special requested workshops for new contracting agencies and for those agencies that need additional assistance with CalPERS membership and/or payroll reporting responsibilities.

Employer Representatives serve as your liaison with CalPERS. They can answer many of your questions or direct you to the appropriate staff at CalPERS who will be able to assist you at the very technical level. The Employer Representatives are assigned by county. To reach a representative contact CalPERS at (888) CalPERS (225-7377) or visit the CalPERS Website at www.calpers.ca.gov for more information.

EMPLOYER SPECIFIC RETIREMENT PLANNING WORKSHOPS

Regional Office staff will conduct Employer Specific Retirement Planning Workshops at the employer's facility. The presentation will be customized with explanations of the benefits that are contracted for by the employer.

DISABILITY RETIREMENT WORKSHOPS

CalPERS Actuary and Employer Services Division sponsors the Benefit Services Division, Disability Section who conduct Disability Retirement workshops. The three-hour workshop is an interactive process intended to benefit the Human Resources personnel, Return-To-Work Coordinators, Health & Safety Officers, Risk Managers, and other interested employer and employee representatives. These workshops provide information on all aspects of disability and industrial disability retirement, local safety, reinstatement and employment after retirement issues and include Q & A opportunities. For workshop registration and further information, contact CalPERS at (888) CalPERS (225-7377).

CALPERS ANNUAL EMPLOYER EDUCATIONAL FORUM

CalPERS holds a 3-day employer Educational Forum annually every fall. The forum provides the opportunity to get the most up-to-date CalPERS information, attend workshops, and talk to CalPERS Board members and staff at this event focused entirely on employer topics. Registration materials are generally mailed in August. If you have not attended this popular event before and would like to be placed on our direct mailing list, please e-mail your request to calpers_conference@calpers.ca.gov.